

From Internet Business to Financial Freedom

To the FCC:

Here are copies of a couple of emails that I sent to friends and family around this time last year. Most all that is in these emails still applies.

At the time that I sent these emails, I was about to start an Internet business. I did not do so because I was offered an opportunity to realize my dream of becoming a high school teacher.

However, the school year just ended, and, with a full summer ahead of me, I am about to start my Internet business and embark upon my quest for financial freedom.

Sincerely, James Francis

Here are the emails:

Hello Everyone,

It is with both sadness and gladness that I send you all this group email today.

First, let me relate to you my gladness. As most of you know at least in some capacity, I have spent most all of my time over the course of the past year studying the current state of the Internet, related technologies, and, most specifically, Internet marketing. Happily, I am coming to the end of my studies and I will soon be launching my first real web site!

I'll let you all know more about my first web site in time... however, unfortunately this is not the reason that I am writing you today. I am writing to talk to you about the current corporate-congressional threat to the Internet.

From its beginnings, the Internet has been a level playing field for all comers. Everyday people can have their voices heard by thousands, even millions of people. It is this potential that lies within the Internet for people to touch others and build relationships that first drew me to the studies that I have been pursuing over the past year. The Internet is the crucial engine for economic growth, free speech, and financial freedom in the 21st Century.

Sadly, I am writing to you all today because the state of the Internet is about to change, and while the

exact changes are far from certain, all indications are that these changes will benefit only the largest corporations with the deepest pockets, and harm everyone else... from aspiring Internet entrepreneurs (such as myself) to the casual Internet user (such as you).

For those of you who do not know... (and I suspect many of you do not, or only found out recently, as those who control the mass media do not want you to know because they stand to benefit)... the issue of what is commonly referred to as “Net Neutrality” has recently come before Congress. “Net Neutrality” is the First Amendment for the Internet that ensures that the Internet remains open to innovation and progress. It is the concept that that everyone, everywhere, should have free, universal and non-discriminatory access to the Internet.

Well, last Thursday, our House of Representatives voted on legislation that could determine the future of the internet (and public access television) in this country. In a vote of 321 to 101, the House voted to pass the Communications Opportunity, Promotion, and Enhancement Act, known as the COPE bill. This controversial telecommunications legislation would permit phone and cable companies to operate Internet and other digital communications services as private networks, free of policy safeguards or governmental oversight. The bill would effectively end "Net Neutrality". (The bill would also cut back the obligation of cable TV companies to devote channels to public access and fund the facilities to run them, and replace local cable franchises with national franchises.) The COPE bill comes on the heels of the Supreme Court decision last August which fundamentally changed the relationship between the US government and the Internet. Before that time, it was understood that all data on the Internet was to be treated equally and that nobody was to block any information going from anyone to anyone. With the Supreme Court decision and the House's bill, the companies that operate the wires or fibers (AT&T, Verizon, Comcast, etc.) that bring the Internet to and from your house have the ability to offer preferential treatment for pay and block any content that they deem against their business interests.

Let me try to explain the impact of this a little. All of you know that “web content browsers” (like yourselves) pay for their Internet access on a monthly basis. What you may not know is that “web content providers” (website owners) have to pay for “virtual space” on which to host their websites and a “virtual pipeline” so that “web content browsers” can reach their websites. The size of the “virtual pipeline” to the “web content providers” websites determines how many “web content browsers” can access their web content and how much of that content they can access at any given time. Thus, people, “web content browsers” and “web content providers”, are paying on both ends already. The COPE bill forces the “web content providers” to pay not only at their end, but also in the middle... “web content providers” can pay for an EZ-Pass lane if they're a major corporation with deep pockets, and if they aren't, then they're going to have to sit in the long lines waiting to go through the toll booth (that is assuming that they are allowed to go through at all). Of course, this affects the “web content browsers” as well, because if they are not browsing the web site of a major

corporation with deep pockets, they will be left waiting for their content while their “web content provider” is waiting at the toll booth.

Now, just because the House passed the COPE bill does not make it law. It now falls to the Senate to save the free and open Internet. Fortunately, Senators Olympia Snowe (R-Maine) and Byron Dorgan (R-N.D.) have introduced a bipartisan measure, the "Internet Freedom Preservation Act of 2006" (S. 2917), that would provide meaningful protection for ‘Net Neutrality’. This excellent bill may be introduced as an amendment when the Senate takes up its own rewrite of the Telecommunications Act later this summer. The next key hearing of the Senate Commerce Committee is scheduled for June 20th. After the Senate passes their bill, the two houses will get together in “conference committee.” In “conference committee” they can actually change the bills in total. They don't have to stick to the bills that were actually passed. They can add anything or take anything out as long as both houses agree.

My greatest hope is that the American people as a whole will inform themselves in these matters and speak up. This is of vital importance. With the exception of the major corporations, no one who is properly informed in these matters favors the COPE bill. The COPE bill is yet another in an unfortunately long line of fascist bills that have been passed over the past six years. This bill does nothing to benefit the American people and everything to benefit the largest of American corporations.

I would implore all of you to educate yourselves in these matters and take some form of action to express your opposition to the COPE bill and the corporate telcom attack on the First Amendment of the Internet: “Net Neutrality”. I hope that all you will at least go to go to <http://www.savetheinternet.com/=act> and sign the petition (do this now... and if you can't do it now, by all means, do it before June 20th). I would also recommend that you spend a few more minutes educating yourself at <http://www.savetheinternet.com/=faq>. Beyond this, call your Senators and Representatives, tell you family and friends, and, most of all, spread the word about the attack on “Net Neutrality”.

Here's the link for the petition again: <http://www.savetheinternet.com/=act>.

Peace and Prosperity, Jim

P.S. Some of you may object to my use of the term “fascist” in my final paragraph, however, you should know that I do not use that term lightly. “Fascism”, at its root, has nothing to do with authoritarian power. It is derived from the Italian word for a bundle of sticks, a symbol that Mussolini used to great effect when he was first coming into power. His idea was that Italy would be strongest if its biggest corporations (its biggest sticks) were united in prosperity. Thus, the fascist mindset says that “what is best for the nation's biggest corporations is what is best for the nation”. History has shown that, over time, this mindset results in authoritarian power just as the communist mindset

results in authoritarian power. Hitler and Mussolini were able to become authoritarian dictators because they were working hand in hand with the biggest corporations, at the expense of the smaller corporations and businesses and, of course, the German and Italian people. I think it no coincidence that it is the same corporations (AT&T, Verizon, Comcast, etc.) that recently handed over our phone records to the Feds that stand to benefit the most from the COPE bill.

P.P.S. I should note that, despite the depressing tenor of this email, it is my firm belief that the Internet (along with its affinity for free markets and democracy) is bigger than any corporation, bigger than any nation, and bigger than even the concept of the nation state... in fact, the Internet is "megapolitical" (bigger than politics). "Bigger than politics?", you may ask, "but our entire existence is saturated with politics... I can't imagine a world without politics... I can't imagine a world without nation states!" "No?", I may say in response, "well 500 years ago no European could imagine a world without 'the Church'"... how times change... but this is a topic for another email...

Hello Again Everyone,

I'd like to start by thanking everyone who signed the petition (now over 1,000,000 strong) and/or took some other action to voice their opposition to the COPE bill and their desire to preserve Net Neutrality. The Senate Commerce Committee will be voting their own bill tomorrow, and, thanks in part to the increasing popular support for Net Neutrality (the mass media has even run a few stories), their bill is already looking like it is going to be substantially better than the House's... although it is still looking like it is going to be far from ideal. Thus, it is still important for those of you who have not taken any action to support Net Neutrality to do so now. For those of you who have yet to sign the petition, here's the link: www.savetheinternet.com/=act.

In the initial days after I sent out my original email, I received a flood of emails from all of you... now that the emails have slowed down I'd like to address a few issues that some of you raised.

Let me begin with the issue of the COPE bill itself. There was a couple folks who sent out a link to the actual bill... for those of you who did not receive the link, here it is: http://www.benton.org/benton_files/HR%205252%20COPE_0.pdf. Some of you who are acutely aware of my affinity for original sources, were surprised that I had not included the link in my original email and were wondering whether I had read the bill myself and why I had not included the link. I had read the bill myself before I sent out my original email and debated including the link, but, after some thought, decided not to. Let me tell you why. As those of you who have looked at the bill may have noticed, there is nothing in it about Net Neutrality, in fact it is utterly silent on the issue of Internet content access. This is how these "deregulation" bills go... it is often what is not in them that

is the problem, not what is in them. In this case the telcoms, who basically wrote the COPE bill, have positioned themselves to set up tiered Internet content access by not including legislation on Net Neutrality... they have said so repeatedly themselves.

Hence, the words of the distinguished gentleman from Massachusetts, Congressman Markey, from the House floor last Thursday, June 8 (the night that the COPE bill passed):

“Let me just make this point once again. The Bell companies had nothing to do with the creation of the Internet. The Bell companies had nothing to do with the development of the World Wide Web. The Bell companies had nothing to do with the browser and its development. In fact, AT&T was asked if they wanted to build the Internet, the packet-switched network in 1966. They turned the contract down when the government went to them. And so a company named BB&N, Bolt, Beranek, & Newman got the contract, a very small company -- not AT&T. They had nothing to do with the development of the Internet, but now, at this late date, they want to come in and to create these bottleneck control points that allow them to extract Internet taxes, Internet fees from companies and individuals who have been using the Internet for a generation. It is this absence of non-discriminatory language in the Manager’s Amendment and in the bill to which I object.”

It is not to what is in the bill that the Congressman objects... It is to the telcoms well known desire to “create these bottleneck control points that allow them to extract Internet taxes” and it is to the “absence of non-discriminatory language in the Manager’s Amendment and in the bill” that he objects.

Let me pick up on another of the Congressman’s points, as some of you voiced concern over issues of deregulation, private property, and liberty.

One may make the argument that the telcoms have the right to control the cables because the cables are their privately held assets, and thus, the Internet should be “deregulated.”

It is my belief that, in an ideal world, it is market forces, not the government, that should determine the prices and flows of goods and services. Generally speaking, government determination is "regulation" and "deregulation" refers to the primacy of market forces instead of government regulation. However, in the real world, true market forces have little to do with the behavior of market actors. Thus, the question here is not a question of whether the Internet is regulated; it is a question of who regulates it and how it is regulated. In the real world, the telcoms are in fact seeking to control (or "regulate") privately, and so are seeking government “deregulation” to make way for their private control or "regulation". While the cables may be the telcoms’ privately held capital assets, the information that travels across them is not, and, if the telcoms are allowed to control, are allowed to regulate, what information is allowed to pass through and what is not and at what speed... I fail to see how the Internet has been “deregulated”.

Additionally, I think that it is important to consider how the telcoms came to hold these privately held assets. The telcoms have benefited greatly from corporate welfare, and, as such, they have an obligation to the people who paid the taxes that they then received as welfare to perpetuate the neutrality of their services. Also, in many cases, the maintenance and expansion of the cables is subsidized by the government in a sort of indirect welfare in the sense that the telcoms benefit from such subsidies in profits where as the government and the tax payer does not. The way that the government benefits is through the benefits to the tax payer, who, in exchange for his taxes that go towards telcom welfare and subsidies, receives free and open access to the cables.

(Now, this free and open access is, of course, in fact not entirely free and open because, as I explained in the initial email, both the “web content browsers” and the “web content providers” pay on their ends for Internet access to companies who do not receive subsidies and, for the most part, do not receive corporate welfare, and these companies then pay the telcoms for the use of the cables. Thus, the COPE bill makes the telcoms recipients of corporate welfare, maintenance subsidies, usage fees from “ISPs”, hosting companies, etc., and, what I refer to as, Internet tolls or taxes.)

In fact, the tax payer was supposed to receive much more than just free and open access to the cables for their taxes, they were supposed to receive better Internet access. However, despite the fact that the telcoms promised to make 45 mbps fiber-optic connections available to at least 86 million households by 2006 in exchange for approximately \$200 billion in subsidies and financial perks, American broadband services are vastly inferior and significantly more expensive than broadband services in a number of other developed countries. When y